AMENDED IN SENATE JUNE 29, 2010 AMENDED IN SENATE JUNE 17, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 2775

Introduced by Assembly Member Huffman

(Principal coauthor: Senator Cogdill)

March 1, 2010

An act to amend Section 79749 of the Water Code, relating to water, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2775, as amended, Huffman. Safe, Clean, and Reliable Drinking Water Supply Act of 2010: surface storage projects: joint powers authorities.

(1) Existing law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2010, which, if approved by the voters at the November 2, 2010, statewide general election, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. The bond act, among other things, would continuously appropriate \$3,000,000,000 to the California Water Commission for specified water projects, including surface storage projects identified in the CALFED Bay-Delta Program Record of Decision, dated August 28, 2000, except as specified. Funds allocated for this purpose are authorized by the bond act to be provided to local joint powers authorities formed by irrigation districts and other local water districts and local governments located within the applicable hydrologic region to design, acquire, and construct those projects.

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The bond act would also require the Department of Water Resources to be an ex-officio ex officio member of each joint powers authority, prohibit the department from controlling the governance, management, or operation of the surface water storage project, and authorize the joint powers authorities to include in their membership governmental and nongovernmental partners that are not located within their respective hydrologic regions in financing the surface storage projects, including, as appropriate, cost share participation or equity participation.

This bill would-delete the above requirement and prohibition on the department, and would delete the above authorization for joint powers authorities, in connection with surface storage projects would delete the authorization for joint powers authorities to include nongovernmental partners in their membership. The bill would also prohibit the joint powers authorities from including in their membership any for-profit corporation, or mutual water company whose shareholders and members include a for-profit corporation or any other private entity. The bill would require the Secretary of State to include the changes made by this bill when submitting to the voters the Safe, Clean, and Reliable Drinking Water Supply Act of 2010, at the November 2, 2010, statewide general election.

(2) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 79749 of the Water Code, as added by Chapter 3 of the Seventh Extraordinary Session of the Statutes of 3 2009, is amended to read:
- 79749. (a) The funds allocated for the design, acquisition, and construction of surface storage projects identified in the CALFED Bay-Delta Record of Decision, dated August 28, 2000, pursuant to this chapter may be provided for those purposes to local joint powers authorities formed by irrigation districts and other local water districts and local governments within the applicable hydrologic region to design, acquire, and construct those projects.
- 11 (b) The joint powers authorities described in subdivision (a) 12 may include in their membership governmental partners that are 13 not located within their respective hydrologic regions in financing

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the surface storage projects, including, as appropriate, cost share participation or equity participation. Notwithstanding Section 3 6525 of the Government Code, the joint powers authorities 4 described in subdivision (a) shall not include in their membership 5 any for-profit corporation, or any mutual water company whose 6 shareholders and members include a for-profit corporation or any 7 other private entity. The department shall be an ex officio member 8 of each joint powers authority subject to this section, but the department shall not control the governance, management, or 10 operation of the surface water storage projects. 11

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- (c) A joint powers authority subject to this section shall own, govern, manage, and operate a surface water storage project, subject to the requirement that the ownership, governance, management, and operation of the surface water storage project shall advance the purposes set forth in this chapter.
- SEC. 2. Notwithstanding Section 9040 Sections 9040, 9043, 9044, and 9061 of the Elections Code, the Secretary of State shall submit Section 79749 of the Water Code, as amended by Section 1 of this act, in place of Section 79749, as added by Section 1 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, in order that it is voted upon as part of the Safe, Clean, and Reliable Drinking Water Supply Act of 2010, at the November 2, 2010, statewide general election.
- SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:
- In order to enable the Secretary of State to make the changes required by this act at the earliest possible date, it is necessary that this act take effect immediately.